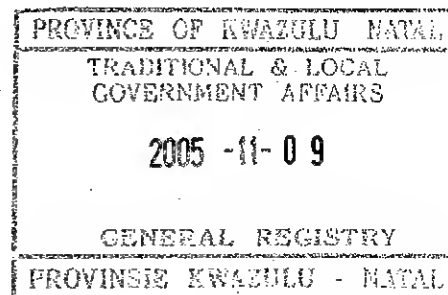
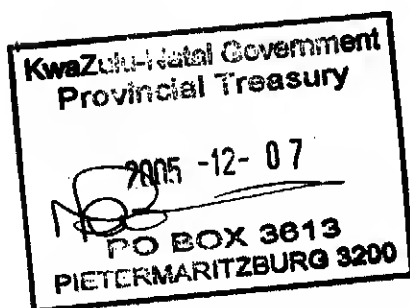


uPhongolo Municipality



Published

Annual Financial Statements for the year ended 30 June 2005



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GENERAL INFORMATION

MEMBERS OF THE uPHONGOLO MUNICIPALITY EXECUTIVE COMMITTEE

Councillor B J Mncwango (Chairman)
Councillor S W van der Merwe
Councillor M J Mncwango (Ex officio)
Councillor A Z Thabede
Councillor B Mvelase

Honourable Mayor
Honourable Deputy Mayor
Honourable Speaker

MEMBERS OF THE uPHONGOLO MUNICIPALITY COUNCIL

Councillor D J Bosman
Councillor M L Sibiya
Councillor M M Mtungwa
Councillor B H Nkosi
Councillor K E Thabede
Councillor A S Mafuleka
Councillor M Nkwanyane
Councillor C I Mathebula
Councillor G J Ntshangase

Councillor H V Ncamphalala
Councillor M S Nhleko
Councillor T W Hlanze
Councillor S R Mhlongo
Councillor N Nsibande
Councillor I M Mashinini
Councillor K J Shabangu
Councillor M M Khumalo

MEMBERS OF THE FINANCE COMMITTEE

Councillor B J Mncwango (Chairman)
Councillor S W van der Merwe
Councillor M J Mncwango (Ex officio)
Councillor A Z Thabede
Councillor B Mvelase
Councillor D J Bosman (co-opted for finance issues)
Councillor M L Sibiya (co-opted for finance issues)

Honourable Mayor
Honourable Deputy Mayor
Honourable Speaker

MEMBERS OF THE HUMAN RESOURCE STAFF COMMITTEE

Councillor B J Mncwango
Councillor S W van der Merwe
Councillor A Z Thabede
Councillor M L Sibiya
Councillor M M Mtungwa

Honourable Mayor
Honourable Deputy Mayor

MEMBERS OF THE SOCIAL COMMUNITY AND L.E.D. COMMITTEE

Councillor S W van der Merwe
Councillor K E Thabede
Councillor M M Mtunwa
Councillor A S Mafuleka
Councillor M L Sibiya

Honourable Deputy Mayor

MEMBERS OF THE TECHNICAL INFRASTRUCTURE AND PLANNING COMMITTEE

Councillor B J Mncwango
Councillor A Z Thabede
Councillor K E Thabede
Councillor M Nkwanyane
Councillor C I Mathebula

Honourable Mayor

GENERAL INFORMATION (continue)

GRADING OF THE LOCAL AUTHORITY

Grade 4

AUDITORS

Office of the Auditor-General

BANKERS

First National Bank of South Africa
ABSA

(Primary bank account)

REGISTERED OFFICE

Municipal Office
61 Martin Street
Pongola

P O Box 191
Pongola
3170

Telephone: (034) 413 1223
Facsimile: (034) 413 1706
e-mail pongolatlc@pga.dorea.co.za

MUNICIPAL MANAGER

MA Ngcobo
Professional Engineering Technologist

Resigned 31 August 2005

JS Coetsee
Associate member of IMFO

Appointed on 1 September 2005

CHIEF FINANCIAL OFFICER

A Greco
Registered Municipal Accountant

APPROVAL OF FINANCIAL STATEMENTS

The annual financial statements set out on pages 11 to 24 were approved by the Municipal Manager on 30 September 2005 and presented to Council on 26 October 2005



MUNICIPAL MANAGER



CHIEF FINANCIAL OFFICER

FOREWORD

uPhongolo Municipality is the northern gateway to the Zulu Kingdom, more specifically the Zululand area north of the Tugela River. Apart from a number of private game reserves within the municipal boundaries, two major tourism attractions are Ithala Game Reserve and Pongolapoortdam (Lake Jozini). The mission of the municipality is to ensure provision of sustainable service delivery in order to improve the quality of life of the communities within our area of jurisdiction.

Through the local economic development program, Council is committed to promote economic development in order to fulfill the mission statement. To achieve this one must firstly realize the huge service backlogs mainly in the rural areas and the major challenge to provide quality services to all residents. This can not be done without a strong management system and competent administration, which are continuously looked at by Council.

The completion of these financial statements by the end of September is late in terms of legislation, but an improvement on previous year's performances. Council with the full support of management is committed to improve systems and service delivery to ensure its relevance as a municipality within KwaZulu-Natal.

The period since the previous local government elections in December 2000 has not been an easy road to travel, especially with the burden of imbalance of service delivery and development which all of us have had to carry on this journey. We have come a long way in trying to rectify the situation, but are currently in the process of preparing for the next elections early in 2006. This upcoming election should however not stop the progress made so far but rather encourage the additional effort in development.

In conclusion, I wish to express my appreciation to the Executive Committee, Council and staff who have dedicated themselves to the development of uPhongolo and their hard work and commitment in ensuring that our goals are met.



BJ Mncwango
MAYOR

REPORT OF THE AUDITOR-GENERAL

UPHONGOLO MUNICIPALITY

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

TREASURER'S REPORT

1 OPERATING RESULTS

Details of the operating results per department, classification and object of expenditure are included in appendices D and E. The overall operating results for the year ended 30 June 2005 are as follows:

TOTAL OF ALL SERVICES

INCOME

Opening Surplus
Sundry transfers
Operating Income for the year

EXPENDITURE

Operating Expenditure for the year
Sundry transfers
Closing surplus/(deficit)

ACTUAL 2004	ACTUAL 2005	VARIANCE 2004/2005	BUDGET 2005	VARIANCE ACTUAL/BUDGET
R	R	%	R	%
1,794,649	1,436,279			
-	324,125			
28,343,653	32,190,563	13.57%	35,783,217	-10.07%
30,138,602	33,950,967		35,793,217	
24,858,061	31,852,787	28.14%	41,092,328	-22.48%
3,844,182	-			
1,436,279	2,096,200		723	
30,138,602	33,950,967		41,093,051	

	ACTUAL 2004	ACTUAL 2005	VARIANCE 2004/2005	BUDGET 2005	VARIANCE ACTUAL/BUDGET
INCOME PER FUNCTION					
COMMUNITY SERVICES	15,317,418	17,944,884	17.15%	20,534,530	-12.81%
SUBSIDISED SERVICES	1,552,925	1,580,469	1.77%	37,840	4078.72%
ECONOMICAL SERVICES	2,793,621	3,097,097	10.86%	5,236,547	-40.88%
TOTAL GENERAL SERVICES	19,663,963	22,622,430	15.05%	25,806,917	-12.35%
WATER	3,782,546	4,669,099	23.44%	4,188,359	11.48%
ELECTRICITY	4,897,345	4,899,034	0.03%	5,795,941	-15.47%
TOTAL TRADING SERVICES	8,879,891	9,568,133	10.23%	9,984,300	-4.17%
TOTAL AS PER FUNCTION	28,343,653	32,190,563	13.57%	35,793,217	-10.07%

OPERATING INCOME					
PROPERTY RATES	3,866,162	3,775,614	-2.34%	4,907,846	-23.07%
ELECTRICITY	4,897,345	4,899,034	0.03%	5,195,941.00	-5.71%
WATER	3,782,546	4,669,099	23.44%	3,788,359.00	23.25%
SANITATION	605,323	660,019	6.79%	1,136,725	-24.48%
REFUSE REMOVAL	1,966,298	2,237,077	12.51%	1,880,822	34.70%
GRANTS	9,456,933	13,163,236	39.19%	15,737,902	-16.36%
INTEREST ON INVESTMENT INCOME					
EXTERNAL	116,860	60,543	-48.19%	50,000	21.09%
INTERNAL					
OTHER	3,430,366	2,525,940	-26.37%	3,313,622	-23.77%
SURPLUS FUNDS APPROPRIATED					
TOTAL	28,343,853	32,190,563	13.57%	35,783,217	-10.07%

EXPENDITURE PER FUNCTION					
COMMUNITY SERVICES	11,772,193	14,673,652	24.65%	18,945,933	-22.55%
SUBSIDISED SERVICES	3,327,564	4,905,362	47.42%	2,297,589	113.50%
ECONOMICAL SERVICES	2,197,168	2,608,461	18.83%	5,185,466	-49.74%
TOTAL GENERAL SERVICES	17,296,923	22,165,475	28.26%	26,428,988	-16.06%
WATER	2,282,436	3,097,680	35.72%	3,915,918	-20.90%
ELECTRICITY	5,276,702	6,569,612	24.46%	5,447,590	20.60%
TOTAL TRADING SERVICES	7,561,138	9,667,292	27.65%	9,363,506	3.24%
TOTAL AS PER FUNCTION	24,858,061	31,652,767	26.14%	35,792,494	-11.01%

	ACTUAL 2004	ACTUAL 2005	VARIANCE 2004/2005	BUDGET 2005	VARIANCE ACTUAL/BUDGET
OPERATING EXPENDITURE					
SALARIES, WAGES & ALLOWANCES	9,368,835	10,846,432	15.77%	11,180,027	-2.98%
GENERAL EXPENDITURE					
ELECTRICITY BULK PURCHASES	3,908,511	4,740,150	21.28%	3,802,179	24.87%
WATER BULK PURCHASES	394,438	601,678	52.54%	1,040,000	-42.15%
OTHER	11,108,302	15,353,737	38.22%	15,500,981	-0.95%
REPAIRS & MAINTENANCE	1,842,269	1,925,174	17.23%	2,232,500	-13.77%
CAPITAL CHARGES					
EXTERNAL INTEREST & REDEMPTION	896,131	894,682	-0.18%	1,313,871	-31.90%
INTERNAL INTEREST & REDEMPTION	-	181,206	0.00%	281,862	-30.80%
CONTRIBUTIONS TO FIXED ASSETS	255,085	1,081,795	324.09%	2,222,300	-51.32%
CONTRIBUTIONS TO SPECIAL FUNDS	732,422	1,330,392	81.64%	1,139,500	18.75%
PROVISION FOR WORKING CAPITAL	-	-	-	2,399,108	-100.00%
TOTAL GROSS BUDGET EXPENDITURE	28,305,993	38,955,245	30.56%	41,092,328	-10.07%
LESS AMOUNTS REALLOCATED	3,447,932	5,102,478	47.99%	5,299,834	-3.72%
TOTAL: NET BUDGET EXPENDITURE	24,858,061	31,852,767	28.14%	35,792,494	-11.01%

(SURPLUS)/DEFICIT PER FUNCTION					
COMMUNITY SERVICES	(3,545,223)	(3,271,212)	-7.73%	(1,568,597)	105.92%
SUBSIDISED SERVICES	1,774,839	3,324,893	87.36%	2,259,729	47.14%
ECONOMICAL SERVICES	(596,455)	(490,636)	-17.74%	(51,061)	860.88%
TOTAL GENERAL SERVICES	(2,367,039)	(436,955)	-81.54%	820,071	-170.47%
WATER	(1,500,110)	(1,571,419)	4.75%	(272,443)	476.79%
ELECTRICITY	381,357	1,670,578	338.06%	(348,351)	-579.57%
TOTAL TRADING SERVICES	(1,118,753)	99,159	-108.86%	(620,794)	-115.97%
TOTAL AS PER FUNCTION	(3,485,792)	(337,796)	-90.31%	(723)	48821.44%

The Total Income is 13.57% (R3,846,709) more than the previous year, mainly due to the increase in the actual equitable share received valued at R2,433,548. On the other hand is the actual income 10.07% (R3,602,654) less than budgeted for as a result of over estimating the assessment rates income and the equitable share allocation.

Actual expenditure increased from the previous year with R6,994,706 (28.14%) but is R3,939,727 (11.01%) less than budgeted. The increase in expenditure relates to additional staff appointments and salaries increasing with R1,811,192 and related expenses to be added, contributions to fixed assets was R1,967,215 more while water services expenses increased with R1,633,460. The saving on the budget was a result of under spending on capital financed from income and the non contribution to the working capital reserve as budgeted.

The net result is that the budgeted surplus increased from R723 to an actual surplus of R337,796.

2 CAPITAL EXPENDITURE AND FINANCING

Expenditure on Fixed assets during the year amounted to R12,467,907. Expenditure on the construction of the office complex (R6,238,527) and sewerage network in Ncotshana (R3,366,050) contributed 77.03% to the total capex. A summary of capital outlay per function is as follows:

	ACTUAL 2004 R
COMMUNITY SERVICES	1,660,304
SUBSIDISED SERVICES	1,009,171
ECONOMICAL SERVICES	3,044,014
TOTAL GENERAL SERVICES	5,713,489
WATER	-
ELECTRICITY	-
TOTAL TRADING SERVICES	-
PUBLIC IMPROVEMENT FUND	-
TOTAL AS PER FUNCTION	5,713,489

	ACTUAL 2005 R	BUDGET 2005 R
COMMUNITY SERVICES	7,062,830	9,059,300
SUBSIDISED SERVICES	700,282	503,000
ECONOMICAL SERVICES	4,080,387	270,000
TOTAL GENERAL SERVICES	11,843,499	9,832,300
WATER	139,201	-
ELECTRICITY	453,879	350,000
TOTAL TRADING SERVICES	593,080	350,000
PUBLIC IMPROVEMENT FUND	31,328	-
TOTAL AS PER FUNCTION	12,467,907	10,182,300

Resources used to finance the fixed assets were as follows:

Contribution from revenue	888,520
Grants	4,828,969
External Loans	-
Temporary Internal Advances	-
TOTAL	5,713,489

Contribution from revenue	1,081,795	2,222,300
Grants	7,558,218	2,510,000
External Loans	556,802	2,000,000
Temporary Internal Advances	3,271,092	3,450,000
TOTAL	12,467,907	10,182,300

A complete analysis of capital expenditure (Budget and actual) per department, classification or service is included in appendix C.

3 EXTERNAL LOANS, INVESTMENTS AND CASH

External Loans

External loans outstanding on 30 June 2005 amount to R3,166,905 (R2,950,595) as set out in appendix B. A new loan valued at R556,802 was taken up from Nedbank to finance the purchase of 4 vehicles.

Investments and cash

Investments decreased from R8,148,634 to R3,570,303 as at 30 June 2005, while the current account balances went down from R540,205 into an overdraft of R982,308. The reason for this is mainly the temporary financing of the construction of the office complex, to be financed from an external loan approved by ABSA bank. A requirement for the loan is that expenditure be financed from internal funds before a drawdown may be requested.

More information regarding loans and investments are disclosed in note 3 and 5 of the financial statements.

4 FUNDS, RESERVES AND PROVISIONS

The movement regarding statutory funds, reserves and provisions is disclosed in the notes and Appendix A to the financial statements.

5 APPRECIATION

I would like to thank the Mayor, the deputy Mayor, Speaker, the Chairman and Members of the executive Committee, and other Councillors, the Municipal Manager and Departmental Heads for the support they have given me and my personnel during the year. A special word of thanks to the Department of Traditional and Local Government Affairs, the consultants and personnel of the Finance Department for their loyal and commitment in preparing the financial accounts of our municipality.

A Greco
Chief Financial Officer
30-Sep-05

ACCOUNTING POLICIES

1. Basis of Presentation

- 1.1 These financial statements have been prepared so as to conform to the standards laid down by the Institute of Municipal Treasurers and Accountants in its Code of Practice (1992) and the Report on the Standardization of Financial Statements of Local Authorities (4th Edition, as amended).
- 1.2 The accounting policies are consistent with those of the previous year in all material respects, except where otherwise stated.
- 1.3 The financial statements are prepared on the historical cost basis, adjusted for capital expenditure as more fully detailed in paragraph three below.
- 1.4 The financial statements are prepared on the accrual basis:
 - Income is accrued when collectable and measurable. Certain direct income is accrued when received, such as traffic fines and certain licences.
 - Expenditure is accrued in the year it is incurred.

2. Consolidation

The balance sheet includes General Services, the Water Service, the various funds, reserves and provisions. All inter-departmental transactions have been offset against each other. Departmental assessment rates, electricity, refuse removal, sewerage and water have been shown as income and expenditure under the respective departments.

3. Fixed Assets

- 3.1 Fixed Assets are stated:
 - at historical cost, or
 - at valuation (based on the market price at the date of acquisition), where assets have been acquired by grant or donation.
 - whilst in existence or fit for use.
- 3.2 Depreciation
Fixed Assets are not depreciated although the amount of "Loans Redeemed and Other Capital Receipts" in the notes to the balance sheet is tantamount to a provision for depreciation.
- 3.3 All net proceeds from the sale of vacant fixed property are credited to the Public Improvement Fund. Net proceeds from the sale of all other assets are credited to the Capital Development Fund.
- 3.4 Capital assets are financed from different sources, including external loans, operating income, endowments and internal advances. These loans and advances are repaid within the estimated life of the assets so acquired. Interest is charged to the service at the ruling interest rate applicable at the time that the advance is made.
- 3.5 Capital equipment acquired by way of finance lease is brought into the accounting records as fixed assets which have been financed by long-term liabilities.
- 3.6 Assets are written off with the express and prior approval of the Council only.

4. Inventory

No stock is currently on hand in view that expenditure is directly allocated to each and every department when incurred.

5. Funds, Reserves and Provisions

5.1 Capital Development Fund

The Natal Ordinance No. 25 of 1974, Section 103(9), requires a minimum contribution of 3 per centum of the defined income of a municipality, in this case rounded off to the nearest ten Rand. The Fund is used to finance capital expenditure, and the surplus funds are invested.

5.2 Public Improvement Fund

The Public Improvement Fund provides funding for future township development. All development costs as defined in section 103 (3)(d) of the Local Government Ordinance, Natal, No.25 of 1974, are debited against the fund. All proceeds from the sale of developed land are credited as income for the fund. The Fund is used to finance capital expenditure, and the surplus funds are invested. There is, however, a proviso as to what type of asset may be funded from this Fund.

5.3 Trust Funds

The amounts reflected as Trust Funds are the unspent portion of grants received from various Departments. The purpose of these grants is either for capital or operating nature.

5.4 Reserves

The amounts reflected as Reserves are provisions made from grant funding for expenditure related to conditional predetermined projects and may be of capital or operational nature as stipulated in the memorandum of agreement, and of which the amount is unknown and the service still to be rendered.

5.5 Provisions

Leave: A provision equal to the leave credit as at year end is maintained to provide for leave payments on termination of service or on request. The provision is funded by contributions from operating expenditure.

Bad Debts: A provision equal to the outstanding consumer debtors for 90 days and longer is maintained for bad debts. Contributions are made from accumulated funds or operating expenditure, depending on the availability of previous years' or current year surpluses. The provision currently is however not equal to the amount as indicated in the policy due to insufficient surpluses available, and will be adjusted annually till the necessary amount is reached.

6. Retirement Benefits

All employees, with the exception of the Contract employees, contribute to various pension funds as listed in note 23. A full actuarial valuation is conducted by the funds actuaries every three years. These funds are presently in a stable financial position. An interim valuation was conducted as at 31 March 2004. The last full valuation was in March 2002. The retirement benefit plan is subject to the rules and regulations prescribed by the Local Government Superannuation Ordinance, 1973 (Ordinance No. 24 of 1973) and in accordance with the requirements of the Pensions Fund Act, 1956. Current contributions are charged against operating income on the basis of current service costs.

Councillors may join the Councillors Pension Fund, which is managed in accordance with the Pensions Fund Act, 1956.

7. Investments

Investments are shown at cost and are in securities prescribed in Section 125 of the Local Authorities Ordinance No. 25 of 1974. They are considered to be risk-free.

Investments are shown at the lower of cost or market value if a permanent decline in the value occurred, and are invested in securities as prescribed by section 125 of the Local Authorities Ordinance, 1974 (Ordinance No. 25 of 1974) and section 10G(9) of the Local Government Transition Act, 1993 (Act No. 209 of 1993).

8. Treatment of Administration and other Overhead Services

Any surplus or deficit arising from the operations of the Electricity, Sewerage and Water services are included in the Accumulated Surplus Account for Rates and General Services. These accounts are however ring fenced and separate accounts are maintained.

9. Leased Assets

9.1 Fixed assets held under finance leases are capitalised. Such leases are effectively amortised over the term of the lease agreement. Lease finance charges are allocated to accounting periods over the duration of the leases, by the effective interest rate method, which reflects the extent and the cost of the lease finance utilised in each accounting period.

9.2 All other leases are treated as operating leases and the relevant rentals are charged to the operating account in a systematic manner related to the period of use of the asset concerned.

10. Income Recognition

10.1 Assessment rates are levied on land and buildings and are billed both monthly and annually.

10.2 Services are billed monthly. Any other income is by direct payment prior to service being rendered.

uPHONGOLO MUNICIPALITY
BALANCE SHEET AT 30 JUNE 2005

	Note	<u>2005</u> <u>R</u>	<u>2004</u> <u>R</u>
<u>CAPITAL EMPLOYED</u>			
FUNDS AND RESERVES		15,547,697	14,404,322
Statutory Funds	1	12,335,015	9,140,057
Trust Funds	2	(23,182)	962,450
Reserves	3	3,235,864	4,301,815
ACCUMULATED SURPLUS		2,098,200	1,436,279
LONG-TERM LIABILITIES	4	2,592,944	3,795,030
CONSUMER DEPOSITS	5	297,733	296,312
		<u>20,536,574</u>	<u>19,931,943</u>
<u>EMPLOYMENT OF CAPITAL</u>			
FIXED ASSETS	6	7,597,643	4,146,206
LONG-TERM DEBTORS	8	985,384	1,119,504
NET CURRENT ASSETS/(LIABILITIES)		11,953,547	14,666,233
CURRENT ASSETS		17,028,469	17,658,558
Inventory	9	-	-
Short Term Investments	7	3,570,303	8,148,634
Debtors	10	13,458,166	8,969,719
Cash at Bank	22		540,205
CURRENT LIABILITIES		5,074,922	2,992,325
Provisions	11	478,912	395,902
Creditors	12	3,039,741	2,245,247
Loans - Short term portion	4	573,961	351,176
Bank overdraft	22	982,308	-
		<u>20,536,574</u>	<u>19,931,943</u>

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2005

2004 ACTUAL INCOME R	2004 ACTUAL EXPENDITURE R	2004 SURPLUS/ (DEFICIT) R
19,663,962	17,296,923	2,367,039
15,317,416	11,772,193	3,545,223
1,552,925	3,327,564	(1,774,639)
2,793,621	2,197,166	596,455
6,679,891	7,561,138	1,116,753
28,343,653	24,856,061	3,485,792
		(3,844,162)
		(358,370)
		1,794,649
		1,436,279

RATES AND GENERAL SERVICES

Community Services
Subsidised Services
Economic Services

TRADING SERVICES

TOTAL

Appropriations for the year
Net surplus for the year
Accumulated surplus beginning of the year
Accumulated surplus end of the year

2005 ACTUAL INCOME R	2005 ACTUAL EXPENDITURE R	2005 SURPLUS/ (DEFICIT) R	2005 BUDGET SURPLUS/ (DEFICIT) R
22,622,430	22,165,475	436,955	(620,071)
17,944,864	14,673,652	3,271,212	2,674,744
1,580,469	4,905,362	(3,324,693)	(3,505,221)
3,097,097	2,606,461	490,636	210,406
9,566,133	9,667,292	(99,159)	620,794
32,190,563	31,652,767	337,796	723
		324,125	
		661,921	
		1,436,279	
		2,098,200	

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2005

	NOTE	2005 R	2004 R
CASH RETAINED FROM OPERATING ACTIVITIES			
Cash utilised by operations	18	7,346,364	(2,695,977)
Investment Income		(7,932,898)	(7,049,594)
(Increase)/Decrease in Working Capital	19	445,821	593,513
		(3,558,412)	1,457,399
Less: External Interest paid		(11,045,489)	(4,998,682)
Cash utilised by operations		(506,802)	(896,131)
Operating Grants		(11,552,291)	(5,894,813)
Proceeds on disposal of fixed assets		13,163,236	3,198,836
Other contributions from the Public and State		-	-
Capital contributions from the Public and State		-	-
		5,735,419	-
CASH UTILISED IN INVESTING ACTIVITIES:			
Investments in Fixed Assets		(12,467,907)	5,632,115
Housing development for low income group			-
NET CASH FLOW		<u>(5,121,543)</u>	<u>2,936,138</u>
CASH EFFECTS OF FINANCING ACTIVITIES			
(Decrease)/Increase in Long-term Loans	4	(979,301)	(747,089)
Decrease/(Increase) in Cash investments	19	4,578,331	(1,813,527)
Decrease/(Increase) in Cash	20	1,522,513	(375,522)
NET CASH GENERATED/(UTILISED)		<u>5,121,543</u>	<u>(2,936,138)</u>

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2005

	<u>2005</u> <u>R</u>	<u>2004</u> <u>R</u>
1 STATUTORY FUNDS		
Consolidated Capital Development Fund	6,438,803	3,965,894
Public Improvement Fund	5,896,212	5,174,163
(See Appendix A for more detail)	<u>12,335,015</u>	<u>9,140,057</u>
2 TRUST FUNDS		
Ncotshane Peoples Housing Project	-24,560	962,450
Traditional Affairs: Office furniture	1,378	-
(See Appendix A for more detail)	<u>-23,182</u>	<u>962,450</u>
3 RESERVES		
Ncotshane Community Hall	24,981	24,981
Bus Route	152,567	152,567
Refuse Dump	-	149,307
Scorpio	-	9,931
NLK Entrance Road	101,136	101,136
Transitional Grant	13,500	384,960
Water Meters	56,752	56,752
Peace Initiative	-63,426	-
Land Use Management Plan	48,903	177,678
KZN TALG Building Grant	-	224,182
Disaster Management Grant	20,000	20,000
GIS Grant	4,853	70,000
Performance Management Grant	70,967	60,000
IDP Capacity Grant	170,000	-
Ncotshane New Library	332,857	365,980
Waste Management	-	-175,849
MAP	1,966,741	2,070,796
Ncotshane Collector Sewer	-1,047,748	-1,406,661
IDP Review	50,000	-
Financial Management Grant	75,000	-
Community Participation Grant	50,000	-
MFMA	45,000	-
Develop Admin. Capacity	100,000	-
Property Rates Implementation	63,125	-
Inter Departmental Monitoring	60,000	-
Pongolapoortdam Development	30,644	-
Housing SP Community Gardens	190,529	-
Planning & Development	116,619	300,000
Municipal Financial Systems	172,119	-25,016
Uniforms for staff	36,845	-
Cleanest Town Competition	199,456	50,000
Insurance Reserve	194,444	210,129
Working Capital Reserve	-	1,480,942
(See Appendix A for more detail)	<u>3,235,864</u>	<u>4,301,815</u>

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2005

	2005 R	2004 R
4 LONG TERM LIABILITIES		
Annuity Loans	3,166,905	4,146,206
	<u>3,166,905</u>	<u>4,148,206</u>
Less: Current portion transferred to current liabilities	573,961	351,176
	<u>573,961</u>	<u>351,176</u>
(See Appendix B for more detail)	<u>2,592,944</u>	<u>3,795,030</u>
5 CONSUMER DEPOSITS		
Water Services	275,873	296,312
Electricity Services	21,860	-
	<u>297,733</u>	<u>296,312</u>
6 FIXED ASSETS		
Fixed assets at the beginning of the year	48,886,207	43,172,717
Capital outlay during the year	12,467,907	5,713,490
	<u>61,354,114</u>	<u>48,886,207</u>
Less: Assets written off, transferred or disposed of during the year	-	-
Total fixed assets	<u>61,354,114</u>	<u>48,886,207</u>
Less: Loans redeemed and other capital receipts	53,756,471	44,740,001
	<u>53,756,471</u>	<u>44,740,001</u>
Net fixed assets	<u>7,597,643</u>	<u>4,146,206</u>
(See Appendix C for more detail)		
7 INVESTMENTS		
Unlisted		
Short term deposits	3,570,303	8,148,834
	<u>3,570,303</u>	<u>8,148,834</u>
Total Investments	<u>3,570,303</u>	<u>8,148,834</u>
Management's valuation of unlisted investments	3,570,303	8,148,834
Average gross rate of return on investments	7.69%	0.00%
Local authorities are required to invest funds which are not immediately required, with prescribed institutions and the period should be such that it will not be necessary to borrow funds against the investment at a penalty rate to meet current commitments.		
No investments have been written off during the year.		
8 LONG TERM DEBTORS		
Sale of Erven: Pongola	249,311	1,113,482
Sale of Erven: Ncotshane	718,093	-
Security Deposits	17,980	8,022
	<u>985,384</u>	<u>1,119,504</u>

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2005

	2005 R	2004 R
9 INVENTORY		
Inventory represents consumable stores	-	-
Tha municipality is currently not operating any stores, and all consumables are debited to the respective operating accounts when paid.		
10 DEBTORS		
Consumers Debtors	21,042,383	18,320,544
Assessment Rates	8,128,712	5,103,863
Refuse	5,470,783	4,071,511
Sewerage	864,698	708,415
Water	7,493,556	5,452,739
Electricity	956,609	847,452
Prapaymant	130,025	136,564
Other Current Debtors	2,735,725	1,488,175
Billing Debtors	1,706,277	1,488,175
SARS - VAT	1,029,448	-
	23,778,108	17,808,719
Less: Provision for bad Debt	10,319,942	8,839,000
	13,458,166	8,969,719
Days outstanding in debtors amount to	477	345
11 PROVISIONS		
Leava Pay	478,912	395,902
(See Appendix B for more detail)	478,912	395,902
12 CREDITORS		
Trade Creditors	2,477,142	1,174,697
SARS - VAT	-	933,988
Audit Fees	432,574	-
Received in advance	130,025	136,564
	3,039,741	2,245,247
13 ASSESSMENT RATES		
General rate (cents in Rand)		
Land	0.13451	0.13451
Improvements	0.00463	0.00483
Property Valuation		
Land	137,116,640	137,118,640
Improvements	653,526,320	853,526,320
Rates Income		
General	3,775,614	3,485,888
Assessment rates are based on the valuation rating system. Property valuations are done every 5 years. The last valuation came into effect on 1 July 1999. Exemption is approved pending the implementation of the Property Rates Act.		

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2005

14 COUNCILLORS REMUNERATION

		<u>2005</u> <u>R</u>	<u>2004</u> <u>R</u>
	Number	Amount	
Meyor's Allowance	1	90,030	97,149
Deputy Mayor's Allowances	1	73,738	-
Speakers Allowances	1	73,738	-
Executive Committee Allowances	2	139,331	-
Councillor's Allowances	17	699,598	1,120,249
	<u>22</u>	<u>1,076,434</u>	<u>1,217,398</u>

15 AUDITOR'S REMUNERATION

Current Year	356,190	-
	<u>358,190</u>	<u>-</u>

16 FINANCE TRANSACTIONS

External Interest earned or paid			593,513
Interest Earned		445,821	536,990
Interest Paid		586,287	
Capital charges debited to operating account			
Interest			896,131
	External	506,802	
	Internal	79,485	
Redemption			747,089
	External	387,880	
	Internal	101,720	
		<u>1,075,887</u>	<u>1,643,220</u>

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2005

	2005 R	2004 R
17 APPROPRIATIONS		
Appropriation Account		
Accumulated surplus at the beginning of the year	1,436,379	1,794,649
Operating surplus for the year	337,796	3,485,795
Appropriations for the year	324,125	(1,168,314)
Prior year adjustments	-	1,630,521
Provision for Bad Debts	-	(4,306,272)
Accumulated surplus/(deficit) at the end of the year	<u>2,098,300</u>	<u>1,436,379</u>
Operating account		
Capital Expenditure	1,081,795	255,085
Contributions to Provisions	364,675	(5,927)
Bad Debts	-	-
Leave Payments	364,675	(5,927)
Contributions to Capital Development Fund	965,717	846,347
Contributions to Reservas	-	90,963
	<u>2,412,187</u>	<u>1,095,505</u>
18 CASH GENERATED BY OPERATIONS		
Surplus/(Deficit) for the year	337,796	3,485,795
Previous years operating transactions	324,125	-
Appropriations charged against income:	2,412,187	(1,186,468)
Capital Development Fund	965,717	(931,383)
Provisions and Reserves	364,675	-
Fixed Assets	1,081,795	(255,085)
Capital Charges	1,075,887	(149,042)
Interest Paid	-	-
- Internal Funds	79,485	-
- External Loans	506,802	(896,131)
Redemption	-	-
- Internal Advances	101,720	-
- External Loans	387,880	747,089
Grants	(13,163,236)	(9,456,933)
Investment income (Operating Account)	(60,543)	-
Internal interest transferred to operating Account	-	512,139
Non-Operating Income		
Statutory Funds	(1,033,629)	-
Housing Operating Account	(1,775,404)	-
Provisions & Reserves	(15,392,096)	-
Non-Operating Expenditure		
Funds, Reserves & Provisions	19,342,015	(255,085)
	<u>(7,932,898)</u>	<u>(7,049,594)</u>

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2005

	2005 R	2004 R
19 (INCREASE)/DECREASE IN WORKING CAPITAL		
(Increase)/Decrease in Inventory	-	-
(Increase)/Decrease In Current Debtors	(4,488,447)	1,219,477
Decrease/(Increase) In Long Term Debtors	134,120	-
Increase/(Decrease) in Creditors	794,494	237,922
Increase/(Decrease) in consumer Deposits	1,421	-
	<u>(3,558,412)</u>	<u>1,457,399</u>
20 INCREASE/(DECREASE) IN LONG-TERM LOANS (EXTERNAL)		
Loans Raised	-	-
Loans Repaid	(387,880)	(747,089)
	<u>(387,880)</u>	<u>(747,089)</u>
21 (INCREASE)/DECREASE IN EXTERNAL CASH INVESTMENTS		
Investments Made	9,295,649	8,148,634
Investments Realised	13,873,980	6,335,107
	<u>4,578,331</u>	<u>1,813,527</u>
22 (INCREASE)/DECREASE IN CASH ON HAND		
Cash beginning of the year	540,205	164,683
(Overdraft) at end of the year	(982,308)	540,205
	<u>1,522,513</u>	<u>(375,522)</u>

23 RETIREMENT BENEFITS

Employees and Councillors belong to the following retirement Funds:

- (i) Natal Joint Municipal Pension Fund (retirement)
- (ii) Natal Joint Municipal Pension Fund (superannuation)
- (iii) Natal Joint Municipal Pension Fund (provident)
- (iv) Municipal Gratuity Fund
- (v) Municipal Employees Pension Fund
- (vi) Government Employees Pension Fund
- (vii) Municipal Councillors Pension Fund

The retirement plan is subject to the Pension Fund Act 1956 with pensions being calculated on the final pensionable remuneration paid. Current contributions are charged against operating income on the basis of current service costs.

Full actuarial valuation are performed at least every three years. The latest independent valuation of the funds, which indicated that the funds were in a sound financial position, was undertaken on 31 March 2003.

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2005

	2005 R	2004 R
24 CONTINGENT LIABILITIES AND CONTRACTUAL OBLIGATIONS		
None	-	-
25 CAPITAL COMMITMENTS		
Commitments in respect of capital expenditure		
Approved and contracted for	4,071,498	18,200,000
Approved but not yet contracted for	-	-
	<u>4,071,498</u>	<u>18,200,000</u>
This expenditure will be financed from		
Internal sources	1,071,498	12,200,000
External sources	3,000,000	3,000,000
Provisional Grant	-	3,000,000
	<u>4,071,498</u>	<u>18,200,000</u>
26 CONSOLIDATED CAPITAL DEVELOPMENT FUND		
Outstanding advances to borrowing services		
Accumulated fund	6,438,803	5,161,505
Less:		
External Investments	-	-
Internal Loans	1,046,503	1,195,611
Temporary borrowings	3,283,527	-
(Refer to Appendices A and B for more detail)	<u>2,108,773</u>	<u>3,965,894</u>
27 PUBLIC IMPROVEMENT FUND		
Outstanding advances to borrowing services		
Accumulated fund	14,169,140	5,174,163
Less:		
Improvements	8,272,928	-
Temporary Borrowings	-	-
(Refer appendices B for more detail)	<u>5,896,212</u>	<u>5,174,163</u>
28 HOUSING OPERATING ACCOUNT		
Outstanding advances to borrowing services		
Accumulated fund	2,318,156	-
Represented by :		
Housing debtors	-	-
Fixed assets	2,342,716	-
Temporary borrowings	-	-
	<u>(24,560)</u>	<u>-</u>

APPENDIX A

STATUTORY, RESERVE AND TRUST FUNDS, AND PROVISIONS

	Balance 01-Jul-04	Contributions for 2004/2005	Interest on Investments	Interest on internal advances	Other Income	Expenditure for 2004/2005	Balance 30-Jun-05
STATUTORY FUNDS							
Capital Development Fund	5,161,504	965,717	167,173	119,561	24,848	-	6,438,803
- Rate & General Services	5,161,504	965,717	167,173	119,561	24,848		6,438,803
- Water & Sewerage							-
- Electricity							-
Public Improvement Fund	5,174,165	-	218,105	160,843	343,099	-	5,896,212
	10,335,669	965,717	385,278	280,404	367,947	-	12,336,015
TRUST FUNDS							
Ncotshane Peoples Housing Project	962,450				1,355,706	2,342,716	-24,560
Traditional Affairs: Office furniture					419,698	418,320	1,378
	962,450	-	-	-	1,775,404	2,761,036	-23,182
RESERVES							
Ncotshane Community Hall	24,981						24,981
Bus Route	152,567						152,567
Refuse Dump	149,307					149,307	-
Scorpio	9,931					9,931	-
NLK Entrance Road	101,136						101,136
Transitional Grant	384,960					371,460	13,600
Water Meters	56,752						56,752
Peace Initiative	-					63,426	-63,426
Land Use Management Plan	177,678					128,775	48,903
KZN TALG Building Grant	224,182				2,775,818	3,000,000	-
Disaster Management Grant	20,000						20,000
GIS Grant	70,000					65,147	4,853
Performance Management Grant	60,000				50,000	39,033	70,967
DBSA Tourism Grant	-				60,000	60,000	-
Cemetery Plan	-				92,424	92,424	-
Strategic Planning	-				119,485	119,485	-
IDP Capacity Grant	-				170,000		170,000
Ncotshane New Library	385,980				190,388	223,511	332,857
Admin Block: Traffic	-				-	-	-
Ncotshane Library Furniture	-				-	-	-
Waste Management	(175,849)				175,849		-
MAP	2,070,796				500,000	604,055	1,966,741
Ncotshane Collector Sewer	(1,406,661)				3,585,763	3,226,850	-1,047,748
Integrated Waste Management	-				138,700	138,700	-
IDP Review	-				50,000		50,000
Financial Management Grant	-				75,000		75,000
Community Participation Grant	-				50,000		50,000
MFMA	-				45,000		45,000
Develop Admin. Capacity	-				100,000		100,000
Property Rates Implementation	-				63,125		63,125
Inter Departmental Monitoring	-				60,000		60,000
Pongolapoortdam Development	-				150,000	119,356	30,644
Additions to New Offices	-				6,238,527	8,238,527	-
Housing SP Community Gardens	-				253,950	63,421	190,529
Planning & Development	300,000					183,381	116,619
Municipal Financial Systems	(25,016)				250,000	52,865	172,119
Uniforms for staff	-				36,845		36,845
LED Agricultural Cluster	-				11,211	11,211	-
Cleanest Town Competition	50,000				150,011	555	199,456
Insurance Reserve	210,129					15,885	194,444
Working Capital Reserve	1,480,942					1,480,942	-
	4,301,815	-	-	-	15,392,098	16,458,047	3,235,864
PROVISIONS							
Leave Pay	237,169	364,675				122,932	478,912
	237,169	364,675	-	-	-	122,932	478,912
	15,837,103	1,330,392	385,278	280,404	17,535,447	19,342,015	16,026,609

APPENDIX B

EXTERNAL LOANS AND INTERNAL ADVANCES

		Loan Amount	Interest Rate	Term Years	Final Date	Balance 01-Jul-04	Received During the Year	Redeemed or Written-off during the year	Balance 30-Jun-05
EXTERNAL LOANS						R	R	R	R
DBSA	Water	15,200	10.875%	30	31-Dec-08	10		2	8
DBSA	Water	609,500	13.45%	30	01-Dec-12	418,028		28,615	387,411
DBSA	Electricity	150,000	13.45%	25	31-Dec-08	69,116		12,073	57,045
DBSA	Electricity	170,000	17.18%	25	31-Dec-11	122,492		9,000	113,492
DBSA	Water	49,655	14.63%	25	30-Jun-12	89		7	92
DBSA	Water	352,000	15.70%	25	30-Jun-13	267,584		15,097	252,487
DBSA	Electricity	39,745	17.18%	25	30-Jun-12	116		7	109
DBSA	Mun. Offices	900,000	15.80%	20	30-Jun-13	704,070		39,539	864,531
DBSA	Water	2,130,000	14.35%	20	31-Dec-14	1,040,252		47,182	993,090
DBSA	Mun. Offices	600,000	13.08%	15	30-Jun-09	330,828		50,588	280,260
Nedbank	Roads	139,200	10.50%	3	01-Aug-07		139,201	34,606	104,595
Nedbank	Sewerage	139,200	10.50%	3	01-Aug-07		139,201	34,806	104,595
Nedbank	Water	139,200	10.50%	3	01-Aug-07		139,200	34,605	104,595
Nedbank	Electricity	139,200	10.50%	3	01-Aug-07		139,200	34,605	104,595
						2,950,595	558,802	340,492	3,188,905

INTERNAL ADVANCES TO BORROWING SERVICES

Internal Loans

Capital Development fund	Sewerage Network	910,896	10.00%	10	30-Jun-10	645,642		83,680	561,962
Capital Development fund	Municipal Buildings	300,000	10.00%	10	30-Jun-10	212,640		27,580	185,060
Capital Development fund	Sport & Recreation	134,814	10.00%	10	30-Jun-10	95,556		12,385	83,171
Capital Development fund	Official House erf 97	237,430	10.00%	10	30-Jun-11	188,118		19,628	168,290
Capital Development fund	Sport & Recreation	67,720	10.00%	10	30-Jun-11	53,855		5,655	48,000
						1,195,811	-	149,108	1,046,503
						4,146,208	558,802	489,600	4,213,408

APPENDIX C

ANALYSIS OF FIXED ASSETS

EXPENDITURE 2004	SERVICE	BUDGET 2005	BALANCE AT 1 JULY 2004	EXPENDITURE 2005	REDEEMED, TRANSFERRED OR WRITTEN- OFF	BALANCE AT 30 JUNE 2005
R		R	R	R	R	R
5,713,489	RATES AND GENERAL SERVICES	9,832,300	40,647,055	11,843,499	8,241,600	44,248,954
1,660,304	Community Services	9,059,300	24,324,719	7,062,830	8,241,600	23,145,949
-	Cemetery	81,000	-	-	-	-
-	Civil Defence	-	55,720	-	-	55,720
-	Stores	-	1,708	-	-	1,708
-	Community Hall	-	-	-	-	-
-	Parks & Grounds	42,000	143,659	-	-	143,659
177,699	Council General	39,000	253,418	97,129	-	350,547
-	Municipal Manager	20,000	146,112	-	-	146,112
-	Roads	750,000	9,163,982	376,345	-	9,540,327
113,741	Town Treasurer	65,500	338,920	78,841	-	417,761
-	Estates	-	8,245,644	-	8,241,600	4,044
-	Airport	-	340,286	-	-	340,286
-	Traffic	15,000	238,520	7,718	-	246,238
-	Workshop	45,000	8,545	-	-	8,545
-	Caravan Park	-	308,039	-	-	308,039
1,368,864	Municipal Buildings	-	3,467,666	-	-	3,467,666
-	Municipal Offices	7,960,000	1,521,877	6,238,527	-	7,780,404
-	Technical Officer	41,800	90,623	264,270	-	354,893
1,009,171	Subsidised Services	503,000	2,498,900	700,282	-	3,199,182
1,009,171	Library	115,000	1,325,515	700,282	-	2,025,797
-	Health	-	2,575	-	-	2,575
-	Tourism	350,000	-	-	-	-
-	Sport & Recreation	38,000	1,170,810	-	-	1,170,810
3,044,014	Economic Services	270,000	13,823,436	4,080,387	-	17,903,823
-	Licensing	-	60,912	91,138	-	152,050
-	Testing Grounds	240,000	1,172,098	371,461	-	1,543,559
3,044,014	Sewerage	30,000	11,642,247	3,366,050	-	15,008,297
-	Refuse	-	948,179	251,738	-	1,199,917
-	TRADING SERVICE	350,000	8,239,151	593,080	-	8,832,231
-	Electricity	350,000	849,834	453,879	-	1,303,713
-	Water	-	7,389,317	139,201	-	7,528,518
-	PUBLIC IMPROVEMENT FUND	-	-	31,328	-8,241,600	8,272,928
5,713,489	TOTAL FIXED ASSETS	10,182,300	48,886,206	12,467,907	-	61,354,113

**LOANS REDEEMED AND
OTHER CAPITAL RECEIPTS**

44,740,001 9,129,613 113,143 53,766,471

Loans redeemed
Contribution from operating income
Fund Contribution
Grants and Subsidies

4,430,354	489,600	114,380	4,805,574
7,450,022	1,081,795	-1,237	8,533,054
8,241,600	-	-	8,241,600
24,618,025	7,558,218	-	32,176,243

NET FIXED ASSETS

4,146,205	3,338,294	-113,143	7,697,642
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APPENDIX D

ANALYSIS OF OPERATING INCOME AND EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2005

2004 ACTUAL R	<u>INCOME</u>	2005 ACTUAL R	2005 BUDGET R
9,456,933	Grants and Subsidies	13,163,236	15,737,902
9,456,933	National Government	11,890,479	13,080,000
	Provincial Government	1,189,495	2,466,012
	District Municipality	83,262	211,890
18,770,060	Operating Income	18,966,784	20,005,315
3,866,182	Assessment rates	3,775,614	4,907,846
3,782,546	Water Sales	4,669,099	3,788,359
4,897,345	Electricity Sales	4,899,034	5,195,941
6,223,987	Other Income	5,823,037	6,113,169
116,860	Interest Earned	60,543	50,000
28,343,853	Total Income	32,190,563	35,793,217
	<u>EXPENDITURE</u>		
9,368,835	Salaries, Wages and Allowances	10,846,432	11,180,027
11,108,302	General Expenditure	15,353,737	15,500,981
394,438	Water Purchases	601,678	1,040,000
3,908,511	Electricity Purchases	4,740,150	3,802,179
1,642,269	Repairs and Maintenance	1,925,174	2,232,500
896,131	Capital Charges	1,075,887	1,575,733
732,422	Contributions To Funds	1,330,392	3,538,608
255,085	Contributions to Capital Outlay	1,081,795	2,222,300
28,305,993	Gross Expenditure	36,955,245	41,092,328
3,447,932	Less: Amounts Charges out	5,102,478	5,299,834
24,858,061	Net Expenditure	31,852,767	35,792,494

APPENDIX E

DETAILED INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2005

2004 ACTUAL INCOME R	2004 ACTUAL EXPENDITURE R	2004 SURPLUS/ (DEFICIT) R
19,663,962	17,296,923	2,367,039
15,317,416	11,772,193	3,545,223
1,133,981	1,197,934	(63,953)
30,360		30,360
91,207	346,315	(255,108)
9,596,533	4,354,088	5,242,445
		-
		-
83,854	572,068	(488,414)
257,450	16,227	241,223
	472,146	(472,146)
	162,242	(162,242)
	230,819	(230,819)
	2,745,998	(2,745,998)
28,422	469,552	(441,130)
4,095,809	864,256	3,231,554
	340,551	(340,551)
1,552,925	3,327,564	(1,774,639)
	750	(750)
	21,603	(21,603)
18,800	275,521	(258,721)
941	373,521	(372,580)
5,747	200,804	(195,057)
1,068,948	575,877	493,071
25,000	153,744	(128,744)
435,489	1,725,744	(1,290,255)
2,793,621	2,197,166	596,455
1,988,298	1,583,302	404,996
805,323	613,864	191,459
8,679,891	7,561,138	1,118,753
4,897,345	5,278,702	(381,357)
3,782,546	2,282,436	1,500,110
28,343,853	24,858,061	3,485,792
		(3,844,162)
		(358,370)
		1,794,649
		1,436,279

RATES AND GENERAL SERVICES

Community Services

Belgrade
Caravan Park
Cemetery
Corporate Service
Council General Expenses
Housing
Human Resources
Municipal Buildings
Municipal Land
Municipal Manager
Municipal Offices
Parks & Gardens
Roads & Stormwater
Technical Officer
Town Treasurer
Workshop

Subsidised Services

Aerodrome
Fire Brigade/Disaster Management
Health
Library
Sport & Recreation
Testing Grounds
Tourism
Traffic

Economic Services

Refuse
Sewerage

TRADING SERVICES

Electricity
Water

TOTAL

Appropriations for the year
Net surplus for the year
Accumulated surplus beginning of the year
Accumulated surplus end of the year

2005 ACTUAL INCOME R	2005 ACTUAL EXPENDITURE R	2005 SURPLUS/ (DEFICIT) R	2005 BUDGET SURPLUS/ (DEFICIT) R
22,622,430	22,185,475	436,955	(620,071)
17,944,864	14,673,652	3,271,212	2,674,744
1,203,950	1,199,421	4,529	514,137
33,238	2,144	31,092	11,392
38,541	814,386	(575,845)	(385,439)
246	595,019	(594,773)	(552,303)
11,911,786	3,847,148	8,064,638	6,551,019
-	26,779	(26,779)	(300,000)
-	235,764	(235,764)	(354,629)
73,824	632,972	(559,348)	(327,057)
251,718	44,545	207,171	214,640
-	186,615	(186,615)	(141,006)
-	-	-	-
-	670,054	(670,054)	(639,002)
-	2,460,779	(2,460,779)	(2,722,936)
10,776	919,056	(908,281)	(1,280,365)
4,420,990	2,607,771	1,813,219	2,835,231
-	631,199	(631,199)	(749,038)
1,580,469	4,905,362	(3,324,893)	(3,505,221)
-	47,000	(47,000)	(105,715)
228	52,762	(52,534)	(122,646)
18,594	316,651	(300,057)	(349,243)
-	744,267	(744,267)	(780,916)
21,623	397,637	(376,014)	(489,879)
1,135,464	1,394,366	(258,902)	(159,345)
52,000	106,278	(54,278)	(517,045)
354,560	1,846,401	(1,491,841)	(980,432)
3,097,097	2,606,481	490,636	210,406
2,237,078	1,783,542	473,536	127,441
860,019	642,919	17,100	82,965
9,588,133	9,667,292	(99,159)	820,794
4,899,034	6,669,612	(1,670,578)	348,351
4,669,099	3,097,680	1,571,419	272,443
32,190,563	31,852,767	337,796	723
		324,125	
		881,921	
		1,436,279	
		2,098,200	